

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF VIRGINIA  
LYNCHBURG DIVISION

In re: PAULA MCCULLOUGH BRADFORD

Case No. 07-62310

Debtor

Chapter 7

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WILLIAM F. SCHNEIDER, TRUSTEE

Plaintiff,

v.

Adversary Proceeding No. 09-06109

PAULA MCCULLOUGH BRADFORD  
1088 Oaklawn Drive  
Culpeper, VA 22701

and

HENRY V. SCIORTINO  
1547 Tanglewood Drive  
West Chester, PA 19380

Defendants.

**TRUSTEE'S MOTION FOR AN ORDER APPROVING A SETTLEMENT  
AND COMPROMISE OF ADVERSARY PROCEEDING AND  
AUTHORIZING THE ABANDONMENT OF PROPERTY OF THE  
ESTATE**

William F. Schneider, Trustee, moves the Court for entry of an order approving a settlement with Henry V. Sciortino, Trustee of the Hugh McCullough Trust, and abandoning property of the estate, as follows:

1. On December 4, 2007, an Order for Relief under Chapter 7 of the Bankruptcy Code was entered in this case.
2. Movant is the duly appointed Trustee in this case.

3. On or about September 24, 2009, the Trustee filed this adversary proceeding against Henry V. Sciortino, alleging that the Debtor, at the time she filed her bankruptcy petition, had an interest in the Testamentary Trust created by the Last Will and Testament of Hugh McCullough (the "Hugh McCollough Trust") of which Mr. Sciortino is the Trustee.

4. Among the assets of the Trust is a parcel of real property titled in the name of the Trust located at 1088 Oaklawn Drive in Culpeper, Virginia (the "Real Property"), and more particularly described as follows:

all that certain lot or parcel of land, together with all buildings and improvements thereon and privileges and appurtenances thereunto belonging, situated, lying and being in West Fairfax Magisterial District, in the Town and County of Culpeper, Virginia, designated as Lot 31 of Oaklawn, Section One, as that subdivision is dedicated by plat and deed of dedication recorded in Deed Book 140, at page 207.

Tax Map Parcel 41-A1-6-A-31

5. The deadline for creditors to file claims in this case was June 11, 2008. As of June 11, 2008 and to date, only one unsecured claim totaling \$37,046.73 has been filed.

6. Subject to the Court's approval, the Trustee and Mr. Sciortino have entered into a settlement by which Mr. Sciortino, as Trustee of the Hugh McCullough Trust, will pay the Trustee the sum of \$48,000.00 on or before January 10, 2011 in exchange for the abandonment of the bankruptcy estate's interest in the Hugh McCullough Trust or its assets. The Trustee believes that the sum of \$48,000.00, plus the \$7,784.32 already in the possession of the Trustee, will be sufficient to pay the one timely filed claim plus interest as well as all administrative claims and fees.

7. In order to obtain the funds to pay the Trustee, the Hugh McCullough Trust will convey the Real Property on or before January 10, 2010 to Kelly McCullough Worley, the Debtor's daughter, who resides in the Real Property, with the \$48,000.00 being held in escrow

pending approval of this motion. Upon approval of the motion the funds will be paid to the Trustee and after receipt the Trustee will submit an order for entry by this Court dismissing this Adversary against all parties with prejudice.

8. The Trustee believes that the Settlement is fair and reasonable and in the best interest of the estate and its creditors. After payment of the timely filed claim with interest, plus the Trustee's fee and expenses, any funds remaining will be returned to Mr. Sciortino, as Trustee of the Hugh McCullough Trust.

9. Notice of this motion and the hearing thereon has been given as shown on the Notice of Hearing to Mr. Sciortino, his counsel, and on all creditors and parties in interest, and on the U.S. Trustee.

WHEREFORE, the Trustee moves the Court to enter an order (1) finding (a) that the Settlement and Compromise is in the best interest of the estate and its creditors, and (b) that adequate notice of the Settlement and Compromise and the hearing on the motion has been given; (2) granting approval of the Settlement and Compromise and authority to the Trustee to accept the Settlement; (3) authorizing the Trustee to abandon the bankruptcy estate's interest in the Real Property and the Hugh McCullough Trust; (4) dismissing this proceeding with prejudice upon notification by the Trustee that he has received the Settlement Fund; and (5) granting such other relief as may be just.

Date: December 17, 2010

/s/ William F. Schneider  
William F. Schneider, Trustee  
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